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SENATE MEMORIAL 82

**48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

INTRODUCED BY

Richard C. Martinez

A MEMORIAL

REQUESTING A COMPREHENSIVE ASSESSMENT OF THE FISCAL IMPACTS ON  
CITIES AND COUNTIES IN THE LOS ALAMOS NATIONAL LABORATORY'S  
EMPLOYMENT BASE AREA RESULTING FROM THE CHANGED TAX STATUS OF  
THE LABORATORY'S NEW CONTRACT AND REQUESTING THAT A  
COMPREHENSIVE ECONOMIC DEVELOPMENT PLAN BE DEVELOPED FOR THE  
LOS ALAMOS NATIONAL LABORATORY'S EMPLOYMENT BASE AREA.

WHEREAS, Los Alamos national laboratory was established  
over sixty-three years ago; and

WHEREAS, Los Alamos national laboratory's budget of more  
than two billion dollars (\$2,000,000,000) creates a  
significant, regional economic engine; and

WHEREAS, Los Alamos national laboratory's total work force  
of approximately fifteen thousand makes it the largest employer  
in northern New Mexico; and

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1           WHEREAS, Los Alamos national laboratory provides  
2 employment for New Mexicans from many counties, including Los  
3 Alamos, Rio Arriba, Sandoval, Bernalillo and Taos; and

4           WHEREAS, the United States, through its agencies, has  
5 "recompeted" the contract for operation of Los Alamos national  
6 laboratory, and the new contract took effect on June 1, 2006;  
7 and

8           WHEREAS, the new contract caused a change in the taxable  
9 status of Los Alamos national laboratory's operations; and

10           WHEREAS, the change in tax status has had an enormous  
11 fiscal impact on Los Alamos national laboratory, including a  
12 budget deficit, reductions in work force and other changes that  
13 adversely impact the people and economy of north central New  
14 Mexico; and

15           WHEREAS, the new taxable status requires that Los Alamos  
16 national laboratory pay gross receipts taxes in an amount equal  
17 to approximately forty million dollars (\$40,000,000) to Los  
18 Alamos county and fifty million dollars (\$50,000,000) to the  
19 state of New Mexico; and

20           WHEREAS, the state of New Mexico has not assessed the  
21 fiscal impact on cities and counties within Los Alamos national  
22 laboratory's employment base area; and

23           WHEREAS, the regional economy in the Los Alamos national  
24 laboratory's employment base area continues to experience  
25 extreme dependency on laboratory funding, remains vulnerable to

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1 past, present and future laboratory job cuts and lacks  
2 significant investment needed to build a new, sustainable  
3 economy;

4 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE  
5 OF NEW MEXICO that the state of New Mexico, through its  
6 appropriate agencies, immediately conduct a comprehensive  
7 assessment of fiscal impacts on cities and counties in Los  
8 Alamos national laboratory's employment base area resulting  
9 from the changed tax status of the laboratory's new contract  
10 and that the state conduct a comprehensive economic development  
11 plan for that area.